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**PACIFIC TEXTILES HOLDINGS LIMITED**

**互太紡織控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01382)**

## **INSIDE INFORMATION POTENTIAL ACQUISITION PROPOSED DISPOSAL OF INTERESTS**

This announcement is made by the board of directors (the “**Board**”) of Pacific Textiles Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (“**SFO**”) (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Listing Rules.

Reference is made to the announcements of the Company dated 12 February 2015 and 27 May 2015 (the “**Announcements**”) in relation to Potential Acquisition. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

### **THE POTENTIAL ACQUISITION**

On 29 June 2015, the board of directors of Textured Jersey Lanka PLC (“**TJL**”), a company listed on the Colombo Stock Exchange and which the Company holds approximately 39.65% of its issued shares, has decided to acquire, subject to obtaining the necessary corporate and regulatory approvals therefor, the entirety of the issued shares of Ocean Mauritius Limited (“**Ocean Mauritius**”), a company incorporated in Mauritius which holds 100% of the shares of Ocean India (Private) Limited (“**Ocean India**”).

The total consideration payable by TJL for the acquisition of shares of Ocean Mauritius is USD15,000,000, 50% of which shall be paid in cash and the remaining 50% shall be settled by issue of shares in TJL. The issue of the said consideration shares is subject to the Colombo Stock Exchange approving in principle the issue and listing of such shares and obtaining shareholder approval at a general meeting. TJL will apply for and seek all corporate and regulatory approvals that are required to carry out the acquisition of shares in Ocean Mauritius and the payment of consideration for such acquisition.

Preceding to the decision to acquire Ocean India through the acquisition of shares in its parent company Ocean Mauritius, the board of directors of TJJL decided to, as disclosed in the Announcement dated 27 May 2015, acquire Quenby Lanka Prints (Private) Limited (“**Quenby Lanka**”). These acquisitions are pursuant to TJJL’s on-going regional expansion and capacity enhancement strategy. The acquisition of Quenby Lanka and Ocean India should potentially launch TJJL to the next level of solution provision and innovation while also catering to growing customer demand, thereby adding significant long-term value to its shareholders and reinforcing its footprint as one of the leading textile players in the South Asian region. In addition to the capacity enhancement and optimization for TJJL, these acquisitions also offer prospect of margin improvements through business and production synergies.

## **PROPOSED DISPOSAL OF INTERESTS**

The Company, through its wholly-owned subsidiary, Pacific Textured Jersey Holdings Limited (“**PTJ**”), currently holds 39.65% of the issued shares of TJJL. PTJ proposes to sell part of its shareholding in TJJL, amounting to approximately 10% of the total issued shares of TJJL. Pursuant to a shareholders’ agreement between PTJ and Brandix Lanka Limited (“**Brandix**”), the second largest shareholder of TJJL holding approximately 29.81% of the issued shares of TJJL, PTJ and Brandix agreed to maintain a collective shareholding in TJJL of not less than 51% of the issued share capital thereof for a period of at least 5 years from first day of trading of shares of TJJL on the Colombo Stock Exchange.

The proposed disposal of interests in TJJL, if proceeded with, may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement in respect of the proposed disposal of interests in TJJL will be made by the Company as and when appropriate in accordance with the Listing Rules. The Board wishes to emphasize that no binding agreement in relation to the proposed disposal of interests in TJJL has been entered into as at the date of this announcement. Shareholders and potential investors of the Company should note that the proposed disposal of interests in TJJL may or may not proceed and are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board  
**Pacific Textiles Holdings Limited**  
**Wan Wai Loi**  
*Chairman*

Hong Kong, 30 June 2015

*As at the date of this announcement, the executive Directors are Mr. Wan Wai Loi (Chairman), Mr. Tsang Kang Po and Mr. Lam Wing Tak, the non-executive Directors are Mr. Choi Kin Chung, Mr. Ip Ping Im, and Mr. Lau Yiu Tong and the independent non-executive Directors are Mr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah and Mr. Sze Kwok Wing, Nigel.*

\* *For identification only*